

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5 77 WEST JACKSON BOULEVARD CHICAGO, IL 60604-3590

MAR 2 3 2012

REPLY TO THE ATTENTION OF:

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Tim Street, Vice President Bahr Bros Mfg Inc P.O. Box 411 2545 Lincoln Boulevard Marion, Indiana 46952

Dear Mr. Street:

The U.S. Environmental Protection Agency finds that Bahr Bros Mfg Inc (you) is violating the Clean Air Act (the Act) and associated state requirements at its facility at 2545 Lincoln Boulevard, Marion, Indiana. The requirements violated are described below. Today, we are issuing to you a Notice of Violation and Finding of Violation (NOV/FOV).

The Act requires EPA to issue standards of performance for new stationary sources (NSPS). EPA issues an NSPS for any category of sources that cause or contribute significantly to air pollution, which may reasonably be anticipated to endanger public health or welfare. The NSPS are national technology-based performance standards, the purpose of which is to ensure that all new or modified sources of air pollutants will be designed to meet emission limitations achievable through the application of the best demonstrated system for emission reduction considering the cost of achieving such reduction and any non-air quality health and environmental impact and energy requirements. EPA has issued NSPS general provisions as well as standards of performance for calciners and dryers in mineral industries.

The Act also requires the development of primary and secondary national ambient air quality standards to protect public health and welfare. To attain and maintain these standards, each State is required to develop an implementation plan. Indiana's State Implementation Plan includes, among other things, the requirements of its federally enforceable state operating permit (FESOP) program.

EPA finds that you have violated the NSPS and your FESOP.

Section 113 of the Act gives us several enforcement options. These options include: issuing an administrative compliance order, issuing an administrative penalty order and bringing a judicial civil or criminal action.

We are offering you an opportunity to confer with us about the violations alleged in the NOV/FOV. The conference will give you the opportunity to present information on the

identified violations, any efforts you have taken to return to compliance and the steps you will take to prevent future violations. Please plan for your facility's technical and management personnel to take part in these discussions. You may also have an attorney represent and accompany you at this conference.

The EPA contact in this matter is Patrick Miller. You may call him at 312.886.4044 to request a conference. If he is not available, you may contact Michele Jencius at 312.353.1377. You should make the request within 10 calendar days following receipt of this letter. We should hold any conference within 30 calendar days following receipt of this letter. EPA hopes that this NOV/FOV will encourage Bahr's compliance with the requirements of the Act.

Sincerely,

George T. Czerniak
Acting Director

Air and Radiation Division

Enclosure: SBREFA fact sheet

cc: Phil Perry, Chief

Office of Air Quality

Indiana Department of Environmental Management

Mathew Chaifetz, Environmental Manager

Office of Air Quality

Indiana Department of Environmental Management

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 5

IN THE MATTER OF:)
Bahr Bros Mfg Inc) NOTICE OF VIOLATION and
Marion, Indiana) FINDING OF VIOLATION
)) · EPA-5-12-IN-03
Proceedings Pursuant to)
the Clean Air Act)
42 U.S.C.§ § 7401 et seg.)

NOTICE AND FINDING OF VIOLATION

The U.S. Environmental Protection Agency finds that Bahr Bros Mfg Inc (Bahr) is violating the Clean Air Act (Act), the New Source Performance Standards (NSPS) General Provisions at 40 C.F.R. Part 60, Subpart A, the NSPS for Calciners and Dryers in Mineral Industries (NSPS for Calciners) at 40 C.F.R. Part 60, Subpart UUU, and Bahr's federally enforceable state operating permit (FESOP).

I. STATUTORY AND REGULATORY BACKGROUND

A. NSPS General Provisions and NSPS for Calciners and Dryers in Mineral Industries

- 1. Section 111 of the Act, 42 U.S.C. § 7411, authorizes EPA to promulgate standards of performance for new stationary sources that fall within categories of sources that, in EPA's judgment, cause or contribute significantly to air pollution that may reasonably be anticipated to endanger public health or welfare. These regulations are known as new source performance standards.
- 2. Section 111(e) of the Act, 42 U.S.C. § 7411(e), states that after the effective date of standards of performance promulgated under this section, it shall be unlawful for any owner or operator of any new source to operate such source in violation of any standard of performance applicable to such source.
- 3. Pursuant Section 111(b) of the Act, 42 U.S.C. § 7411(b), EPA promulgated NSPS General Provisions at 40 C.F.R. §§ 60.1 through 60.19, and the NSPS for Calciners at 40 C.F.R. §§ 60.730 through 60.737.
- 4. Pursuant to 40 C.F.R. § 60.1(a), the NSPS General Provisions apply to the owner or operator of any stationary source that contains an affected facility, the construction or modification of which is commenced after the date of publication in this part of any standard applicable to that facility.

- 5. The NSPS General Provisions, at 40 C.F.R. § 60.7, set forth general requirements for notification and recordkeeping, including: 40 C.F.R. § 60.7(a)(1), which requires the owner or operator of an affected facility to furnish EPA with a notification of the date that construction of an affected facility is commenced, postmarked no later than 30 days after such date; and 40 C.F.R. § 60.7(a)(3), which requires the owner or operator of an affected facility to furnish EPA a notification of the actual date of initial startup of the affected facility, postmarked within 15 days after such date.
- 6. The NSPS General Provisions, at 40 C.F.R. § 60.8, set forth general requirements for performance testing, including 40 C.F.R. § 60.8(a), which requires the owner or operator of an affected facility to conduct a performance test on the affected facility and furnish to EPA a written report of the results of the performance test within 60 days after achieving the maximum production rate at which the affected facility will be operated, but no later than 180 days after initial startup of the affected facility.
- 7. Pursuant to 40 C.F.R. § 60.730(c), the NSPS for Calciners applies to the owner or operator of an affected facility, as defined at 40 C.F.R. § 60.730(a), that commences construction, modification or reconstruction after April 23, 1986. 40 C.F.R. § 60.730(a) defines "affected facility," for the purposes of Subpart UUU, as "each calciner or dryer at a mineral processing plant."
- 8. The NSPS for Calciners, at 40 C.F.R. § 60.734, sets forth the requirements for monitoring emissions and operations, including 40 C.F.R. § 60.734(a), which requires the owner or operator of an affected facility subject to Subpart UUU who uses a dry control device to comply with the mass emission standard to install, calibrate, maintain and operate a continuous monitoring system to measure and record the opacity of emissions discharged into the atmosphere from the control device.
- 9. The NSPS for Calciners, at 40 C.F.R. § 60.735, sets forth recordkeeping and reporting requirements, including: 40 C.F.R. § 60.735(a), which requires an owner or operator to retain the records required by 40 C.F.R. § 60.734 for at least two years; and 40 C.F.R. § 60.735(c), which requires the owner or operator to submit semiannual reports of exceedances of the control device operating parameters required to be monitored by 40 C.F.R. § 60.734.

B. Facility FESOP

- EPA approved Indiana's FESOP program, 326 IAC 2-8-1 through 2-8-17, as part of the federally enforceable Indiana state implementation plan (SIP) on August 18, 1995. 60 Fed. Reg. 43008.
- 11. 40 C.F.R. § 52.23 allows EPA to take enforcement action under Section 113 of the Act, 42 U.S.C. § 7413, when a person fails to comply with any approved regulatory provision of a SIP or with any permit limitation or condition contained within an operating permit issued under a SIP-approved permit program.

- 12. Under 326 IAC 2-8-2(a), any source required to have a Part 70 permit (Indiana's federally approved Title V operating permit program) may apply for a FESOP.
- 13. On March 24, 2008, IDEM issued FESOP # 053-26179-00022 to Bahr for its facility located at 2545 Lincoln Boulevard in Marion, Indiana.
- 14. FESOP # 053-26179-00022 Condition D.1.5 requires the permittee to perform visible emission notations of the stack exhaust from the thermal sand reclaimer (EU6), mechanical sand reclaimer (EU7), Metfin table blast machine #1 (EU13), pangborn table blast machine #2 (EU14), wheelabrator tumble blast machine #1 (EU15), and thermal sand reclaimer (EU19), daily during normal daylight operations. A trained employee must record whether the emissions are normal or abnormal.
- 15. FESOP # 053-26179-00022 Condition D.1.6 requires the permittee to record the pressure drop across the baghouses used in conjunction with the thermal sand reclaimer (EU6), mechanical sand reclaimer (EU7), Metfin table blast machine #1 (EU13), pangborn table blast machine #2 (EU14), wheelabrator tumble blast machine #1 (EU15), and thermal sand reclaimer (EU19), at least once daily when the emission unit is in operation.

II. FACTUAL BACKGROUND

- 16. Bahr was established as a foundry in 1909. It has owned and operated the facility at 2545 Lincoln Boulevard, Marion, Indiana since at least 1979. Bahr primarily produces steel and stainless steel castings. It also produces a limited amount of iron castings.
- 17. Bahr operates approximately 18 emission units (EUs) at the facility including, with the following operating parameters as specified in its FESOP, among others:
 - a. EU6, a natural gas-fired thermal sand reclaimer, constructed in 1993, with a maximum throughput of 1.0 tons of sand per hour, one baghouse for particulate matter control and exhausting to Stack 1;
 - b. EU7, a mechanical sand reclaimer, constructed in 1993, with a maximum throughput of 1.5 tons of sand per hour, one baghouse for particulate matter control and exhausting to Stack 2;
 - c. EU13, steel shot Metfin table blast machine #1, constructed in 2008, with a maximum process rate of 0.88 tons of metal per hour, one baghouse for particulate matter control and exhausting to Stack 3;
 - d. EU14, steel shot pangborn table blast machine #2, constructed in 1985, with a maximum process rate of 0.18 tons of metal per hour, one baghouse for particulate matter control and exhausting to Stack 4;
 - e. EU15, steel shot wheelabrator tumble blast machine #1, constructed in 1985, with a maximum process rate of 0.18 tons of metal per hour, one baghouse for particulate matter control and exhausting to Stack 4; and

- f. EU19, a natural gas-fired thermal sand reclaimer, constructed in 2004, with a maximum throughput of 0.25 tons of sand per hours, with one baghouse for particulate matter control.
- 18. EPA conducted an inspection at the Bahr facility on July 19-20, 2011.
- 19. Bahr operates two thermal sand reclaimers at the facility, EU6 and EU19, which are used to combust and release the chemical binders that hold sand molds for castings together.
- 20. As of the date of the inspection, Bahr had not notified EPA of the dates of construction of EU6 and EU19.
- 21. As of the date of the inspection, Bahr had not notified EPA of the dates of actual start-up of EU6 and EU19.
- 22. As of the date of the inspection, Bahr had not conducted performance testing on EU6 or EU19.
- 23. As of the date of the inspection, Bahr had not installed continuous monitoring systems to measure and record the opacity of emissions discharged from the baghouses capturing particulate matter from its thermal sand reclaimers, EU6 and EU19.
- 24. Bahr daily operated the thermal sand reclaimer (EU6), mechanical sand reclaimer (EU7), Metfin table blast machine #1 (EU13), pangborn table blast machine #2 (EU14), wheelabrator tumble blast machine #1 (EU15), and thermal sand reclaimer (EU19), from April 1 through July 19, 2011.
- 25. With the exceptions of April 12, 20 and 27-29, 2011, Bahr did not perform visible emission notations for the stack exhaust from the thermal sand reclaimer (EU6), mechanical sand reclaimer (EU7), Metfin table blast machine #1 (EU13), pangborn table blast machine #2 (EU14), wheelabrator tumble blast machine #1 (EU15), and thermal sand reclaimer (EU19), daily during normal daylight operations from April 2 through July 19, 2011.
- 26. Bahr did not record baghouse pressure drop readings for the thermal sand reclaimer (EU6), mechanical sand reclaimer (EU7), Metfin table blast machine #1 (EU13), pangborn table blast machine #2 (EU14), wheelabrator tumble blast machine #1 (EU15), and thermal sand reclaimer (EU19), from July 11-19, 2011.

III. VIOLATIONS

A. NSPS General Provisions and NSPS for Calciners

- 27. Bahr's facility is a "mineral processing plant" as defined at 40 C.F.R. § 60.731 and a "stationary source" as defined at 40 C.F.R. § 60.2.
- 28. Bahr's thermal sand reclaimers are "calciners" as defined at 40 C.F.R. § 60.731 and "affected facilities" as defined at 40 C.F.R. § 60.2.
- 29. Bahr's facility is subject to the NSPS for Calciners and the NSPS General Provisions.
- 30. Bahr failed to notify EPA of the dates of construction for the thermal sand-reclaimers, EU6 and EU19, in violation of 40 C.F.R. § 60.7(a)(1) and 42 U.S.C. 7411(e).
- 31. Bahr failed to notify EPA of the actual dates of initial startup for the thermal sand-reclaimers, EU6 and EU19, in violation of 40 C.F.R. § 60.7(a)(3) and 42 U.S.C. 7411(e).
- 32. Bahr failed to conduct a performance test for the thermal sand reclaimers, EU6 and EU19, in violation of 40 C.F.R. § 60.8(a) and 42 U.S.C. 7411(e).
- 33. Bahr failed to install, calibrate, maintain and operate a continuous opacity monitoring system to measure and record the opacity of emissions from the baghouses associated with EU6 and EU19 in violation of 40 C.F.R. § 60.734(a) and 42 U.S.C. 7411(e).

B. Facility FESOP

- 34. With the exceptions of April 12, 20 and 27-29, from April 2 through July 19, 2011, Bahr failed to perform visible emission notations of the stack exhaust from the thermal sand reclaimer (EU6), mechanical sand reclaimer (EU7), Metfin table blast machine #1 (EU13), pangborn table blast machine #2 (EU14), wheelabrator tumble blast machine #1 (EU15), and thermal sand reclaimer (EU19) daily during normal daylight operations in violation of FESOP # 053-26179-00022 Condition D.1.5.
- 35. From July 11-19, 2011, Bahr failed to record pressure drops for the thermal sand reclaimer (EU6), mechanical sand reclaimer (EU7), Metfin table blast machine #1 (EU13), pangborn table blast machine #2 (EU14), wheelabrator tumble blast machine #1 (EU15), and thermal sand reclaimer (EU19) at least once daily in violation of FESOP #053-26179-00022 Condition D.1.6.